

MARMON/KEYSTONE CORPORATION

To: Anthony Carter - New Castle
From: Linda D. McCue
Date: February 9, 2004

Tony:

In response to your phone call to the Employee Connection and our subsequent discussion, this is to advise you that I have spoken to Tim Wamba concerning your complaints.

When you and I spoke, our telephone conversation covered many of the same topics which were discussed in a meeting you had with Wamba, Dave Levenson, Tim Slaughter, and Debra Burt on January 26, 2004. This response will not detail all of those issues again, but rather document additional information gathered in the investigation of your complaints.

You indicated to me that a favorable resolution to your complaint would be the opportunity to learn to operate more of the equipment so you might get a salary increase. As Tim Wamba said to you in his meeting, he is committed to your development as long as you were committed to showing the initiate to learn. Wamba has conveyed to me his intention of developing a training matrix which will be used to train all warehouse employees on all of the equipment. This action should clarify the process and document your progress. Once you have demonstrated the ability to perform these tasks, it would be reasonable to consider a salary increase. Again, you should be reminded that this is no guarantee of a salary increase, but a commitment to do what is necessary to justify one.

You also raised the serious issue of a disciplinary action which was given to both you and Chris Fountain on 6-13-03. According to your account, Stan Grzybowski was also involved in the incident, but he was not given a disciplinary action. You felt that this omission was the result of racial bias. Further investigation into this matter revealed that Grzybowski was with both you and Fountain at the time your infraction occurred; however, he was not a party to the misconduct. According to Dave Levenson who observed the incident, you and Fountain were sitting outside watching Grzybowski work. Based upon Levenson's observation, it is reasonable that both you and Fountain would receive a disciplinary action while Grzybowski would not. The reasonableness of the disciplinary action is based upon your misconduct and not your race.

In our discussion you also indicated that you did not want to be harassed. Please be advised that the company is wholly committed to the fair and equitable treatment of all employees and will not tolerate the harassment of others for any reason. You may want to review the company's harassment policy in the Employee Handbook. Should you believe that you have been harassed, please make the appropriate person aware of your complaint and an investigation will be conducted. Based upon the outcome of the investigation, appropriate corrective action will be taken.

(EXHIBIT 1)

I am hopefully that these actions will satisfactorily resolve your complaints. Should you find that they have not, please feel free to contact either your supervisor, Tim Wamba, or myself.

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A handwritten signature in black ink, appearing to read "Linda D. McCue", written in a cursive style.

Ms. Linda D. McCue
V P Human Resources